

COUNTY OF KAUAI
Minutes of Meeting
OPEN SESSION

Board/Committee:		Salary Commission		Meeting Date	March 23, 2017
Location	Mo`ikeha Building- Liquor Conference Room			Start of Meeting: 9:00 a.m.	End of Meeting: 9:57 a.m.
Present	Chair Robert Crowell; Members: Daniel Aki, Charles King, Sheri Kunioka-Volz, Camilla Matsumoto and Jo Ann Shimamoto Also present: Board & Commissions Office Staff: Support Clerk Mercedes Omo; Administrator Jay Furfaro; Deputy County Attorney Teresa Tumbaga and First Deputy County Attorney Matthew Bracken (arrived at 9:53 a.m.)				
Excused	Vice Chair Lenie Nishihara				
Absent					
SUBJECT		DISCUSSION			ACTION
Call To Order					Chair Crowell called the meeting to order at 9:02 a.m. with six (6) Commissioners present constituting a quorum.
Approval of Minutes		<u>Regular Open Session Minutes of January 19, 2017.</u>			Mr. King moved to approve the meeting minutes. Ms. Matsumoto seconded the motion. The motion carried 6:0.
Business SC 2017-05		<u>Presentation by Director of Finance Ken Shimonishi on the County’s Comprehensive Annual Financial Report.</u>			Mr. King moved to defer item SC 2017-05 to the next meeting.

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	Administrator Furfaro explained that Finance Director Ken Shimonishi was unable to attend the meeting because the Mayor requested that he be present at the County Council for the budgetary reviews.	Ms. Shimamoto seconded the motion. The motion carried 6:0.
SC 2017-06	<p><u>Update from the Department of Human Resources Director Janine Rapozo on the status of the County's job descriptions of all elected and appointed Officers as defined in Section 23.01 D of the Kaua'i County Charter.</u></p> <p>Administrator Furfaro informed the Commissioners (to his knowledge) that the Human Resources Department is still working on a draft of the County's official job descriptions and like the Director of Finance, HR Director Janine Rapozo could not be here today because she's over at the County Council for the budgetary reviews.</p>	Ms. Shimamoto moved to defer item SC 2017-06 to the next scheduled meeting. Ms. Matsumoto seconded the motion. The motion carried 6:0.
SC 2017-07	<p><u>Discussion and decision-making on a communication dated February 24, 2017 from Council Chair Mel Rapozo to Chair Robert Crowell and Members of the Salary Commission, writing to ask the Commission to reconsider making the maximum salaries for Resolution No. 2017-01 retroactive to take effect on July 1, 2016 (excluding any retroactivity for the Kaua'i County Council pursuant to Charter Section 29.05).</u></p> <ul style="list-style-type: none"> Written testimony dated March 16, 2017 from Chair Mel Rapozo relating to Resolution 2017-1 Retroactivity was provided to the Commissioners. 	

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	<p>Mr. King asked if Resolution 2017-1 was approved by the County Council to which Administrator Furfaro explained that there was a 2:4 vote which means no portion of Resolution 2017-1 was rejected and that the salaries would take effect as of July 1, 2017. In regard to Council Chair Rapozo's request that the Salary Commission reconsider making the maximum salaries for Resolution 2017-1 retroactive to take effect as of July 1, 2016, excluding any retroactivity for the Kaua'i County Council, the discussion on the Commission's plan of action or no action could be decided today.</p> <p>Mr. King asked if it would require another bill to which Chair Crowell replied the impression he got was that it would require another resolution. Administrator Furfaro stated whether it's through a money bill or a new resolution, they (Council) would have to find the monies to cover the retroactive salaries. Ms. Shimamoto stated she called Council Services to ask if the meeting minutes of the February 22nd meeting was available and she was told the minutes would be posted on the Council's website today, but it hasn't been posted yet. She added that she found it really confusing because Council had already approved Resolution 2017-1 and now they're coming back to ask that the Salary Commission change certain things in the Resolution.</p> <p>Chair Crowell clarified that only Chair Rapozo is requesting a change and not the whole body.</p> <p>Ms. Shimamoto stated so what he's saying is it's only Chair Rapozo who is requesting that the salaries in Resolution 2017-1 be retroactive as of July 1, 2016 to which Chair Crowell replied yes, adding prior to that, Chair Rapozo only wanted the salaries for the County Auditor, County Clerk and Deputy County Clerk to be retroactive, but now he wants all of the salaries in Resolution 2017-1 to be retroactive, except for the County Council.</p> <p>Mr. King stated that if the Salary Commission is talking about making things retro, it could set a dangerous precedence. Besides, he's never heard of anyone in the business world going retro. It's usually forward, but in this case, the Chair is asking the opposite.</p> <p>Ms. Shimamoto stated that she did a lot of thinking about Chair Rapozo's request and the one thing that came to mind was "what has changed" because when the Salary Commission tried to get the previous resolution through the last time, Council made such a big fuss about not having the financial means to do</p>	

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	<p>it, and so now her question is, did the money all of sudden appear? She added, going back to last year, the Salary Commission submitted two Resolutions, 2016-1 and 2016-3, which made Council very unhappy so for them to approve the current resolution and now the Chair wants the Salary Commission to do something else, it just doesn't make any sense.</p> <p>Ms. Shimamoto asked if Council could have made their own modifications to Resolution 2017-1 before they approved it to which Administrator Furfaro replied he would refer her question to the County Attorney.</p> <p>Ms. Shimamoto stated she would like to leave Resolution 2017-1 as is.</p> <p>Ms. Kunioka-Volz asked relative to Chair Rapozo's request, why would he want to make the Auditor's salary retro when the position was vacant for two years? She also asked if the funds are already in the Council's budget since it's a Council position to which Administrator Furfaro replied the funds would stay in the Council's budget for the remainder of the year or until they identify someone for the position.</p> <p>Chair Crowell stated that during that particular discussion, (he thinks) Council didn't realize that the salary increases would affect their staff, which they ended up rejecting anyway. And although they made a lot of references about their staff working twice as hard as anybody else, (he thinks) Council didn't realize it until after the fact, which is what he believes prompted the December memo. And maybe now they (Council) might be thinking that the Commission might be looking at it in a more receptive way, but that's his take on it and he agrees with Commissioners King and Shimamoto to not consider Chair Rapozo's request because it would set a bad precedent.</p> <p>Mr. Aki stated he agrees with Chair Crowell and Commissioner King that it would set a bad precedent. Besides, if the Commission really wanted to, it would have already been done instead of trying to fix it. He asked if this has ever happen before where the Commission had to redo a resolution that was previously approved to which Chair Crowell replied not to something that has already been approved.</p>	

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	<p>Mr. Aki asked if the Commissioners were to grant Chair Rapozo's request, would the Commission have to submit a new resolution to which Chair Crowell replied yes. Mr. King asked if now would be the appropriate time to make a motion for discussion purposes to which Chair Crowell replied yes.</p> <p><u>Discussion</u></p> <p>Mr. Aki asked if the job descriptions were used to formulate Resolution 2017-1 to which Mr. King replied he doesn't think the County has any job descriptions, and as far as the different tiers, it simply was a recognition because there was a time when there were five (5) different sets of salaries. So rather than point to the different positions, the Commission simply grouped the positions into different tiers with the Mayor, Managing Director, the Chief of Police and the Fire Chief being in the top tier.</p> <p>Administrator Furfaro handed out copies of the materials that the Commission used as a reference to identify the equitable trends, the decision-making factors, retention and inversion problems particularly in the police department, as well as the cluster tiers that showed who was in what tier.</p> <p>Mr. Aki asked if a money bill would have to be attached to the new Resolution to which Administrator Furfaro stated that any changes to the Resolution is going to have a financial impact and they (Council) would have to identify where those resources are going to be coming from to pay for those retroactive salaries. Mr. Aki asked wouldn't it be prudent for the Commission to see if there is any money (first) before going retroactive.</p> <p>Administrator Furfaro stated that was one of the reasons he invited the Director of Finance to the meeting so he could go over the CAFR with the Commission.</p> <p>Mr. King stated isn't it Council's kuleana to find the money. Ms. Shimamoto noted that the Commission is only responsible for setting the maximum salary caps not to specify the exact amount.</p> <p>Administrator Furfaro stated that we're nearing the point of the last three (3) months of the fiscal year and he thinks it would require a joint effort led by the Director of Finance to communicate with the Councilmembers. In addition to working on the new job descriptions, HR is also going through union</p>	<p>Mr. King moved to make Resolution 2017-1 retroactive to July 1, 2016. Ms. Matsumoto seconded the motion.</p>

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	<p>negotiations, but he imagines HR will be ready to provide a presentation on the final approved job descriptions in the near future.</p> <p>Ms. Matsumoto stated that she can't quite remember exactly what happened, but the list was long and was evenly split in two and now some people are not happy about the split. She asked if the Commission should send a response to Chair Rapozo regarding the Commission's stance on his request. Chair Crowell stated that when the Commissioners are ready to make a decision, the Commission could send him a response.</p> <p>Administrator Furfaro stated if it's in favor of the Chair, his response to Chair Rapozo could be as such that due to the budgetary review session, the Commission had to defer the presentation by the Director of Finance for two weeks, and that the Commission would not be making any decisions without knowing what the County's financial well-being is; however, that's just an option.</p> <p>Mr. King stated the question is whether or not the Commission's decision would change if there was new information. Chair Crowell stated the motion on the floor is to make Resolution 2017-1 retroactive for discussion purposes.</p> <p>Ms. Shimamoto stated that it shouldn't make a difference even if the Commission had new information, which brings her back to her previous question, "what has changed since then for the Commission".</p> <p>Mr. Aki stated that if the Commissioners are going to continue to talk about it, then we should defer the matter until we have the information. Whether it has to do with principle or money, the Commission still doesn't have all of the information and he doesn't want others to think the Commission didn't consider at least that option.</p> <p>Ms. Kunioka-Volz stated perhaps it would also be good to give Chair Rapozo the opportunity to address the Commission.</p>	

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	<p>Chair Crowell stated the motion on the floor is to make Resolution 2017-1 retroactive.</p> <p>Mr. King asked if a motion to defer would supersede his original motion. Administrator Furfaro asked for clarification if the Commission was deferring its decision to make Resolution 2017-1 retroactive to which Chair Crowell replied yes. Administrator Furfaro stated yes, the motion to defer would supersede Mr. King's original motion. With that being said, Chair Crowell called for the motion to defer item SC 2017-01 for continued discussion at the next meeting.</p>	<p>Ms. Aki moved to defer item SC 2017-07 for continued discussion at the next meeting. Ms. Kunioka-Volz seconded the motion. The motion carried 5:1.</p> <p>Ms. Shimamoto voted against the deferral.</p>
<p>SC 2017-08</p>	<p><u>Communication dated March 7, 2017 from Councilmember JoAnn Yukimura to Chair Robert Crowell and Members of the Commission requesting that the Salary Commission re-look at the Group II maximum salary caps to affirm the Commission's prior recommendations that were considered in Resolution No. 2017-1 relating to the Salaries of Certain Officers and Employees of the County of Kaua'i.</u></p> <ul style="list-style-type: none"> Written testimony dated March 16, 2017 from Councilmember JoAnn Yukimura relating to Resolution No. 2017 Research was provided to the Commissioners. <p>Mr. King stated the contents in Councilmember Yukimura's written testimony is good information and could be considered for next year. The Commission cannot go back and change anything unless it makes another resolution, which is what she seems to be driving at.</p>	

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	<p>Chair Crowell called for a motion to discuss the matter.</p> <p>Ms. Matsumoto moved to receive Councilmember Yukimura's two (2) communications dated March 7, 2017 and March 16, 2017. Mr. King seconded the motion.</p> <p><u>Discussion</u></p> <p>Mr. King stated that although the concerns in Councilmember Yukimura's letters are kind of a moot point, the information she provided could be used for next year's discussion.</p> <p>Administrator Furfaro stated for the record, the Commission had a second resolution that went to Council that gathered a 2:4 vote in which both Councilmembers Yukimura and Chock were the only members who voted against the salary increases. Relative to Resolution 2017-1, Councilmember Yukimura emphasized that Maui County's Housing Director is also the Director of Housing and Human Concerns, which means he or she oversees more than housing.</p> <p>Ms. Kunioka-Volz stated it seems that Councilmember Yukimura is asking the Commission to reconsider some of the positions in Resolution 2017-1, but at the same time, the Commission wants to defer the matter to the next fiscal year. Administrator Furfaro stated the rationale behind the deferral was until the Commission had a chance to hear from the Director of Finance on the CAFR.</p> <p>Ms. Kunioka-Volz asked if that is the same reason the Commission is deferring Chair Rapozo's request for retroactivity. Administrator Furfaro stated the Commission is only deferring its decision it didn't determine what the decision would be based on.</p> <p>Mr. Aki stated that Councilmember Yukimura's letter confuses him because at one point she's asking the Commission to relook at all of the things it has done and reaffirm its decision, which he thinks the Commission already did when it submitted Resolution 2017-1 to Council. The other confusing part is after she requested the Commission to relook at all of the things that was done, in the same breath, she's saying that it's not within the Salary Commission's power to directly address all of the other issues relating to merit and annual reviews, etc. So if her request is to reaffirm our prior recommendations, the</p>	

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	<p>Commission has already done that; therefore, he agrees with Mr. King that the information she provided in her written testimony could be used for the next year's salary reviews.</p> <p>Chair Crowell stated he thinks one of Councilmember Yukimura's concerns has to do with the Commission looking at only one set of comparables, which is why (he thinks) she provided the Commission with other comparables, but what she doesn't realize is the Commission looked at other factors as well. He added that in Councilmember Yukimura's testimony, she placed a lot of emphasis on Maui's Housing Director duties and compared it to Kaua'i's Housing Director duties. She even talked a lot about inversions, but because there are no inversions in Tier 2, those are positions that shouldn't be getting a raise, which was the reason the Commission increased the salaries in the 1st Tier. But all in all, he agrees with Mr. Aki and Mr. King that Councilmember Yukimura's written testimony is something the Commission could consider looking at in the future.</p> <p>Ms. Shimamoto stated that to her knowledge not all of the positions in the 1st Tier had an inversion problem and the reason the Commission increased the caps for the 2nd Tier positions was because none of those positions had salary increases for the past seven (7) years and all of the configurations that were done showed where those salaries should be at.</p> <p>Administrator Furfaro added that the Commissioners were all given worksheets reflecting the four (4) regions of the United States broken up by police departments and public safety agencies and what the average salaries are for the chief and deputy chiefs as well as the rank and file, which is what he thinks may have brought attention to how difficult dealing with the inversions are. He said as everyone here knows, the Commission did an across the board comparison of the four (4) different counties and the fact is that the Maui engineer has another engineer overseeing the environmental section of the landfill whereas Kauai's County engineer has to perform other duties as well.</p> <p>Mr. King stated if the Commission is going to do this, we need to have job descriptions so we can point out each position's responsibilities and right now, the Commission does not have the capability. Mr. Aki stated based on all of the materials he has seen, it looks like the Commission did a lot of research and was very thoughtful in the way it approached things so he doesn't see any reason why the Commission needs</p>	

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	<p>to reaffirm what it has already done.</p> <p>Ms. Matsumoto questioned the reason why the Commission even received her letter because the salary amounts are not the Commission's kuleana, and the fact that it lies with another office, she wouldn't be surprised at all if Councilmember Yukimura went to their office to continue her discussion there.</p> <p>Ms. Shimamoto asked for clarification if the Commission was going to defer Chair Rapozo's request for retroactive and receive Councilmember Yukimura's request and just say the Commission would take her information into consideration for next year's salary review discussion.</p> <p>Chair Crowell stated he's not sure if that's what the Commission wants to do, but he thinks the Commission should; however, he's unsure if the Commission should communicate it's feelings to Councilmember Yukimura. Mr. King stated, in his mind, the Resolution that was sent to Council asking for salary increases and what Councilmember Yukimura is asking for was done and if the Commission votes to make the salaries retroactive, that action would stick and the affirmation would be over.</p> <p>Chair Crowell stated that if the Commission accepts Councilmember Yukimura's reasoning, that would be okay, but that's not what he's hearing. Ms. Shimamoto stated that based on Councilmember Yukimura's letter, she's not asking the Commission to lower the salaries, all she wants is for the Commission to relook at the salary caps in light of the points she made.</p> <p>Mr. King stated that maybe things got confused with the tiers and the salaries.</p> <p>Administrator Furfaro pointed out that the tiers have been around for many years.</p> <p>Ms. Shimamoto stated that the Commission did its work by reviewing the job responsibilities of those positions and decided to reduce the amount of tiers from five (5) to four (4) tiers, but what wasn't communicated to Council was the actual breakdown. Administrator Furfaro stated he thought it was the other way around to which Ms. Shimamoto replied no, it was reduced down to four (4) levels, and as she said before, the first resolution was for the Tier 1 positions, and the second resolution was for the Tier 2</p>	

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	<p>positions, but it was not accurate. Administrator Furfaro stated that it seemed that Council pick and chose which positions to move which isn't right. Ms. Kunioka-Volz noted that it would be interesting to hear Chair Rapozo's justification on that.</p> <p>Chair Crowell asked the Commissioners what they would like to do about Councilmember Yukimura's request.</p> <p>Mr. King stated that in addition to accepting her communication, the Commission could also reaffirm to her that the information she provided in her testimony was good. Ms. Kunioka-Volz stated that perhaps the Commission could revisit the three (3) organizations with no job descriptions. Mr. King stated that he like her idea, noting that the Commission is not always working with the current information and always have to play catch-up.</p> <p>Ms. Kunioka-Volz stated the motion on the floor is to receive Councilmember Yukimura's written testimony. Chair Crowell called for the vote.</p> <p>At 9:53 a.m. First Deputy County Attorney Matthew Bracken entered the meeting room.</p> <p>Relative to the next meeting, Chair Crowell stated that due to the budgetary reviews, he's not sure if and when the Director of Finance and Human Resources would be available. Administrator Furfaro shared that today is the start of the departmental budgetary reviews at the County Council which will be followed by callbacks if necessary.</p> <p>Mr. King asked if there was a particular date or deadline to submit a new resolution if the Commission decides on the retro to which Mr. Bracken replied relative to the date, the Commission can make a decision at any time. Mr. King stated the Commission could hold off from making a decision for two (2) years from now if it wanted to.</p>	<p>The motion carried 6:0 to receive Councilmember Yukimura's letter/testimony.</p>

SUBJECT	DISCUSSION	ACTION
Announcements	<p>Chair Crowell announced that the next meeting will be at 9:00 a.m. on Thursday, April 27, 2017, at the Mo'ikeha Building, Meeting Room 2A/2B.</p> <p>Administrator Furfaro stated he would send a reminder to the Director of Finance as well as the Director of Human Resources to be present at the April 27, 2017 meeting, but based on the upcoming budgetary reviews, the Director of Finance might not be available.</p>	
Adjournment	With no further business to conduct, Chair Crowell called for a motion to adjourn.	<p>Ms. Matsumoto moved to adjourn the meeting. Mr. King seconded the motion. The motion carried 6:0.</p> <p>At 9:57 a.m. the meeting adjourned.</p>

Submitted by: _____
Mercedes Omo, Staff Support Clerk

Reviewed and Approved by: _____
Robert Crowell, Chair

(**x**) Approved as circulated on April 27, 2017
() Approved as amended. See minutes of _____ meeting.